

# REBATERS IN A WAY TO ESCAPE END COMES TO EL TIGRE SUIT

Attorney General of California  
Does Not Think State Has  
Laws to Cover

Court of First Instance at Cananea Gives Mine to Present Holders

## STRANGE IS SITUATION WAS IMPORTANT CASE

Must Delve Deep Into Musty  
Past in Search of Proper  
Statute

Ensenada Company Fights to  
Highest Court to Gain Pos-  
sion of Property

## AND THEN IT MAY NOT EXIST MANY THOUSANDS SPENT

State Railroad Commission a  
Standing Joke to All Well  
Informed Men

Decision of Court Gives Secure  
Possession to El Tigre  
Mining Company

(Special to Review)  
SAN FRANCISCO, Oct. 15.—Attorney-General Webb announces that he is making an investigation of the rebating by the Southern Pacific company as revealed in the recent inquiry conducted in its city by Interstate Commerce Commissioner Lane. He is not prepared to say what steps he has in view, for he has not yet sufficiently explored the statutes, but if he finds that any of California's laws have been violated the offenses shall not be ignored.

A remarkable ignorance prevails as to the railroad laws of the state, excusable, no doubt, for the reason that no one has ever had occasion to look them up and also because what ever enactments there have been are buried in the musty past of the legal tomes.

"We never had any legislation in California directed to the ends aimed at in the federal laws," explained Mr. Webb, "and if we have any laws at all covering the rebatements in Commissioner Lane's inquiry they must be found in some hidden old statutes that nobody has heard of for many decades. My purpose is to make a thorough study of the situation to ascertain just what can be done."

"We virtually stand in the anomalous position of having our state laws without a provision against what under the federal statutes may be a \$25,000,000 crime. Railroads may carry on operation in California with impunity that they would be prosecuted for under the federal laws, both in the criminal and the civil courts."

"But I can't discuss the matter intelligently at this time. After I have concluded my investigation I hope to be able to announce some policy that the attorney-general's office will pursue."

A broad humor illumined the attorney-general's face when the interview was directed to the railroad commission. "For all I know it may be making an investigation of the rebating," he said.

"In such an event would they not come to you, inasmuch as you are their legal adviser?"

"Yes, I am their legal adviser," was the answer in a surprised "that's so" manner. "I wonder if we couldn't find out if the commissioners have taken up this matter?" he queried.

"Commissioner Andrew M. Wilson is the only resident commissioner, and he runs at the sight of a reporter," was the reply.

"Well, hasn't the commission an office in the city?" came the startling question from the attorney-general.

Webb didn't know that the railroad commissioners had an office in the city, and it is a question if he is acquainted with all of them. They haven't been near him for five years to obtain any legal enlightenment. He could not forego a hearty laugh when he was told that a secretary and bailiff held forth in the Perry building and that the commissioners meet once a month.

"When did they meet last?" he asked.

"Last Monday."

"Do you know if they took up the matter of the rebate exposures?"

"They took up only the routine business of the board."

"And what is that?"

"The commissioners ordered their salaries and those of the secretary and the bailiff paid and then adjourned."

The attorney-general was asked if the railroad could be prosecuted under the old statute which makes rebating the crime of extortion.

"That's an old statute, that has never been tested, and I am not prepared to express an opinion as to its efficacy. But if it did apply I would have nothing to do with such criminal prosecution. If there is to be any prosecution of the railroad criminally it will have to be initiated by a county district attorney."

The attorney-general has nothing to do with criminal prosecution in the first instance. At the last session of the legislature Senators Charles W. Bell of Pasadena and Caminetti of Anaheim attempted to enact a measure compelling the railroad commission to do some work. They proposed that the board should travel about the state at stated periods and hold sessions where, it was to be announced, shipwreck might lodge their complaints. But Jerry Burke, Herri's free-pass



—Taylor in Los Angeles Times.

# "I ACCUSE." BIG POWDER MILL GOES UP, 40 KILLED FOR MORRIS HEIRS TAFI ARRIVES ON THE WATER WAGON

Explosion of Lafin & Rand  
Mill in Indiana Wrecks  
Town and Leaves Scene of  
Wild Desolation

Provisions of Late Packer's  
Will Broken by Mutual  
Agreement and Estate Di-  
vided Up Equally at Once

No Liquors Will Be Served at  
Manila Functions in Honor  
of Secretary of War—His  
Orders

FONTENET, Ind., Oct. 15.—As the result of an explosion at the Lafin & Rand powder works today between twenty-five and forty persons were killed and a hundred others injured and the village of Fontenet, 1000 people, was wiped out. Where stood a thriving and busy town this morning, tonight are ruins and scattered wreckage. A dead and seriously injured will be taken away, five hundred inhabitants, more or less wounded, remain to suffer with scattered household goods, and sleep under tents guarded by soldiers of the state.

Without warning, the powder mill, seven in number, blew up at 5:10 this morning. They employed 200 men and of these seventy-five were at work when the explosion occurred in the powder mills. In quick succession the glazing mill, two coaling mills and powder magazine blew up, followed by the cap mill.

In the magazine situated several hundred yards from the works was stored 4000 kegs of powder. The concussion, when it blew up was felt 200 miles away and every house in the town destroyed, farm houses two miles away and school houses equally destroyed. The explosion killed those occupants injured. Indianapolis and even Cincinnati felt the shock. A passenger train on the Big Four railroad was four miles away and every coach window was broken and several passengers injured by flying glass.

The mill was up in three distinct explosions, followed in ninety minutes by a fourth, more serious than the others, when the magazines went up. Immediately following the explosion and wreckage the inhabitants of the town who rushed to the rescue, found themselves powerless to aid those burning in the ruins. They worked in constant danger from possible succeeding explosions, unmindful of ruined homes. The dead and dying were picked up and collected in groups. Heavens bodies, horribly burned and mangled were carried to a protected spot to await identification, while the badly injured numbering upward of fifty were put on a special train and carried to Terre Haute for hospital accommodations.

Scarcely one of the 1000 inhabitants of the town was left that did not carry blood on hands or face from his own wounds, or from those people who required aid. The mills were located one mile south of town.

Superintendent Monahan of the plant was killed while in his office and his wife and sister-in-law were killed in their home some distance away. That the death list is not far greater is due to the fact that the people left their homes at the first explosion and were not in the buildings when the 4000 kegs of powder in the magazine hurled the homes to pieces and scattered household goods into heaps of debris.

The force of the explosion destroyed all telephone communication with outside towns and it was with great difficulty that aid was summoned. Terre Haute and Brazil sent physicians, nurses and supplies in carriages and automobiles. Special trains were run on the Big Four for the care of the injured. Governor Hanly ordered the Terre Haute company of Indiana militia to patrol the ruined district and protect life and property. The governor arrived this evening. He brought with him 700 tents for the homeless.

CHICAGO, Oct. 15.—The Tribune today says that the \$300,000,000 will costed has been argued and settled out of the court was the disclosure yesterday, when the last testament of Nelson Morris, packer, was filed for probate.

As a result of the remarkable situation the principal provision of the will has been nullified. Instead of carrying out the arrangement which would have held the bulk of the estate in trust at least fifteen years, the widow and four children divide the property equally among themselves at once. Instead of \$500,000 and an annuity of \$15,000 during the next twenty years, each of the five principal heirs receive at once \$500,000 in cash and securities. Furthermore it became known before the will was filed that each of the heirs secured title to a fifth of the estate. The property is allotted in equal shares to the widow and children in binding agreements signed by the estate. When the trust arrangements had thus been wiped out the will was filed.

MANILA, Oct. 15.—Secretary Taft arrived at 4:30 p. m. from Hong Kong and received an enthusiastic welcome. His reception began with a water parade headed by Governor Smith, General Wood and Admiral Hemphill. The secretary was escorted to the palace by troops and distinguished Americans and Filipinos and formally welcomed by the mayor and governor general. Thousands lined the streets all day waiting Taft's arrival.

Much discussion has been caused by the fact that no liquors will be served at functions in Taft's honor to be held at the palace, which step is said to have been taken at the direction of the secretary.

MIKADO RECEIVES O'BRIEN  
Distinguished Honor Paid American  
Ambassador at Tokio Yesterday.

TOKIO, Oct. 15.—Thos. K. O'Brien, the new American ambassador, presented his credentials to the Japanese emperor today. Mrs. O'Brien was meanwhile received by the empress. O'Brien was escorted by a troop from the lanciers of the imperial guard. He rode in a magnificent imperial carriage of red and gold, accompanied by an official of the imperial household. Two imperial carriages were provided for Dodge, Jay, Second Secretary Wheeler, Lieutenant Colonel Irons, military attaché, and R. S. Miller, interpreter of the embassy. Carriages belonging to the embassy conveyed the ladies of the party to the palace. The ceremonies there were short and formal. The emperor hoped O'Brien's stay in Japan would be pleasant and was glad to welcome him on account of the cordial relations existing between the two countries.

BROWN WASN'T THERE  
Court Holds Session and Waits in Vain for Culprit.

SAN FRANCISCO, Oct. 15.—Luther G. Brown failed to appear before Judge Duane this morning at the hour set for his arraignment on the charge of suborning C. A. Wyman, a chauffeur, to testify falsely before the grand jury investigation, which resulted in the indictment of Porter Ashe and Luthern Brown on the charge of kidnaping Fremont Older. Assistant District Attorney Cook explained the absence by the suggestion that he might not have known the arraignment was to take place. Judge Duane postponed it until Monday.

TRAINS MUST SLOW UP  
LINCOLN, Nov. 15.—The state railroad commissioner today issued an order limiting the Missouri Pacific passenger trains to a speed of twenty-five miles an hour, and fast freight trains to twenty miles, heavy freight trains to fifteen miles, owing to the dangerous condition of the road bed.

ELECT OLD DIRECTORS.  
DENVER, Oct. 15.—Directors were elected this afternoon at the annual meeting of stockholders of the Denver & Rio Grande railroad and subsidiary companies. No changes were made on the boards and no business of importance transacted.

# "O, LORD, HOW WE KICK"; J. G. C. TEN PER CENT CASH AT ONCE

Speaker of National House Gets  
After Reformers Who  
Would Change Things

L. J. Overlock's New Proposi-  
tion to Creditors Meets  
General Approval

## SAYS CONDITIONS O. K. ANOTHER TEN PER CENT

Declares We Have Cheapest  
Freight Rates of Any  
Country on Earth

Guarantees Total of 20 Per  
Cent and Gives Services  
Free of Charge

## PUBLIC OWNERSHIP RAKED PUTS \$32,000 IN BUSINESS

Germany Which Owns Rail-  
roads Charges Three Times  
What Our Own Roads Do

Will Hire Expert Brokerage  
Man to Handle Affairs for  
the Creditors

MOLINE, Ill., Oct. 15.—Speaker Joseph G. Cannon brought enthusiastic applause from the Bankers' Association of Illinois when he deprecated what he termed "socialistic" remedies for public evils. "We have waxed fat, as a people, and O Lord, how we are kicking," was the text of "Uncle Joe's" speech, paraphrased from the scripture.

Reviewing the history of early railroad building in Illinois, Speaker Cannon eulogized Stephen A. Douglas as a great statesman for securing the passage of the land grant whereby the Illinois Central railroad was built. He spoke also of banking conditions as they existed in the early days of Illinois, when bankers got 2 per cent a month on ordinary loans. He dwelt upon the lowering of interest rates and the growth in the volume of business as a benefit to bankers and to the nation.

Then he passed to consideration of railroad regulation and said: "Since the close of the war for the preservation of humanity, do you know that in the construction of additional miles of railroad in its operation, the basing of the tracks and the use of steel rails, in the increase of the size of engines and cars, by the better operation of these great transportation lines, by competition as well between cities, states, and different sections of the country as between railways, by the operation of all these forces, do you know that the average charge per ton per mile throughout the United States is 7 mills, as against 20 mills per ton per mile in 1870?"

"Oh, says some of the audience, 'that's a lot of work, it is 4-12 or 5 mills per ton per mile, and at this rate the roads are better paid than by double that amount where the road has a poor track and but half as much business as it can do.'"

"Sometimes rich people get cranky, though not where they make the money themselves. But once in a while we all get cranky, especially where money is involved. The man who has an independent subsistence gets to talking and he talks of reform. He gets queer notions. I have several in my mind's eye now, that announce themselves as socialists and reformers and are going to turn the world upside down. Now, let me tell you. Some of these people get queer notions about public utilities. They want the United States to own them and operate them. A great many people have that notion; some very bright people have it, but I do not want it that way so far as I am concerned. It would not work very well. We have 3,000 miles across our country from one ocean to another. Take Germany with her \$5,000,000 people and in area four times as large as the State of Illinois. Do you know what they charge in that little bit of a country for transportation? Three times what is charged in the United States, 21 mills per ton per mile, while it costs us but 7 mills. The government owns 90 per cent of these railways. It is the same way in Austria, a flat failure."

"Now, somebody says, how are we going to regulate these railways unless the government owns them. Some people want to tear them up even now. I do not own a share of railroad stock and never did. I do not suppose I ever will. But I can ride from Danville to Chicago, 120 miles, for \$2.40. I am paying my fare now. I have an, I never refused transportation from the railroad when they sent it. I rode on it. I never asked for transportation and they have quit sending it. They cannot pull up the rails; they cannot destroy the cars. But they may further cheapen the tariff. It may get cheaper and cheaper. I rather think it will."

Judge Julian W. Mack of Chicago preceded Speaker Cannon and told the bankers about the "negotiable instruments law" passed by the last legislature. The effect of this act is to give Illinois a law concerning commercial paper that is nearly the same as the uniform law on the subject adopted by several states and being sought in other states. As an expert Judge Mack was pitted with

In accordance with the assurances given to a Review representative on Monday evening by L. J. Overlock, the statement of the new proposition made by him to the creditors of the firm of Duesy & Overlock, was issued last evening and is printed herewith in full.

A number of the creditors, when seen last evening and asked for an expression of opinion in regard to the new proposition seemed very favorably inclined, and stated that they would gladly accept the terms of the contract as it seemed the most profitable way for all concerned to wind up the disastrous affair.

The following are copies of Overlock's statement, and the statement of the creditors' committee:

To the Creditors of Duesy & Overlock:

In view of the fact that some of the creditors did not understand the terms of the proposition made by me at the creditors' meeting on the evening of October 8th, I wish to withdraw that proposition and submit the following and will hold the same open for acceptance to the creditors for a period of ten days:

If the creditors will agree to my continuing the business, I will agree to pay to all proved claimants, ten per cent (10%) of the face value of their claim immediately upon the acceptance of this proposition and I will further absolutely guarantee an additional payment of ten per cent (10%) within sixty to ninety days from date of said first payment. I will further agree to put up the sum of \$32,000 to be used in the continuance of the business and will do business on a cash basis and will give your committee a power of attorney to run the business and turn over all assets, transferred to me under this agreement, to your committee and in addition one-third (1/3) of the cash advance. I will make this agreement for the purpose of continuing the business.

Should this proposition be accepted, I will engage a competent brokerage manager, who will run the business and I will give my own time to the business without salary for one year, all the profits of the business shall go into a sinking fund from which the creditors will be paid pro rata amounts until all claims are settled in full, at which time the business and all the assets of the company shall become my property.

A form of acceptance will be kept on file in the office of the assignee and all creditors are requested to call at that office and sign the acceptance.

Respectfully yours,  
L. J. OVERLOCK,  
Bisbee, October 16, 1907.

Statement of Creditors' Committee:  
To the Creditors of Duesy & Overlock:  
Your committee begs leave to report as follows: Owing to rumors about dissatisfaction on the part of creditors of Duesy & Overlock, with the tentative agreement made at the meeting of the creditors on the evening of October 8th, we called Mr. Overlock into conference with the result that he has today issued a statement in writing definitely stating what he can do and what terms of settlement he can offer.

To set at rest some of the rumors which have been circulated, we have made an examination of some of the accounts and questioned Mr. Overlock and others in reference to their accounts. We find that Mr. Overlock has not drawn a cent in salary or dividends from the firm of Duesy & Overlock since its organization, but on the contrary is out over \$11,000 in cash from money advanced in addition to the cost of his stock in the original Duesy & Overlock.

Mr. Overlock informs us that he did consent to the issue of \$5,000 Duesy & Overlock stocks to James A. Gibbs.

(Continued on Page 5.)

questions until he had to say that he could not go into the whole subject of commercial law.